

Monthly Economic News You Can Use

October 2006 Data

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National/State News

The not-seasonally adjusted national unemployment rate for October was 4.1 percent, down from 4.4 percent in September and 4.6 percent for October 2005. From September to October not-seasonally-adjusted nonfarm employment increased by 712,000 to 136,738,000. The majority of the seasonal job gains were reported in state government, education and health services, retail trade, and professional and business services. Seasonal job losses occurred in leisure and hospitality services, and construction.

Maine's not-seasonally-adjusted unemployment rate for October was 4.2 percent, up from 4.1 percent for September and down from 4.4 percent for October 2005. Not-seasonally-adjusted nonfarm wage and salary jobs in Maine declined by 1,900 between September and October. The largest job loss was recorded in leisure and hospitality services as tourist-related activities subsided from the summer peak. Seasonal gains in local government education, private educational services, and retail trade partially offset job losses.

Summary for Central District

Seasonal increases in October unemployment rates were reported in all nine Central District labor market areas. The October/September local Labor Market Area unemployment rates were as follows: Augusta 4.1% from 3.9%; Belfast 4.4% from 4.2%; Boothbay Harbor 3.2% from 2.8%; Camden 3.4 from 3.1%; Rockland 3.7% from 3.5%; Saint George 3.7% from 2.4%; Skowhegan 6.4% from 6.2%; Waldoboro 3.6% from 3.4%; and Waterville 4.6% from 4.4%.

Unemployment rates were lower over the year in all labor market areas except Belfast.

Detailed analysis for each Labor Market Area follows in alphabetical order.

Augusta Micropolitan

Area Definition

The Augusta Micropolitan Area is comprised of Augusta, Belgrade, Chelsea, China, Farmingdale, Gardiner, Hallowell, Litchfield, Manchester, Mount Vernon, Palermo, Pittston, Randolph, Readfield, Rome, Sidney, Somerville, Vassalboro, Wayne, West Gardiner, Whitefield, Windsor, and Winthrop.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force*	44,020	43,840	43,650
Residents Employed	42,230	42,120	41,660
Unemployment	1,780	1,720	1,990
Unemployment Rate	4.1%	3.9%	4.6%

* Numbers may not add due to rounding

Between September and October the local jobless rate increased slightly, from 3.9 to 4.1 percent largely due to expansion of the civilian labor force. Resident employment grew by 110, and the number of unemployed grew by 60.

Over the year the unemployment rate dropped from 4.6 percent in October 2005 to the 4.1 percent rate recorded in October 2006. Employment rose by 570 and unemployment fell by 210.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data were 5.8 percent in January 2004, and again in February 2005. The lowest monthly rate recorded for this area was 2.5 percent in August 2000. The highest recorded October rate was 4.8 percent in 2003. The lowest October rate on record was 2.8 percent in 2000.

Characteristics of the Insured Unemployed

Characteristics of the insured unemployed (weeks compensated for people collecting state unemployment checks) for the month of October were similar to last month. Seventeen percent were separated from retail trade, 13 percent from healthcare and social assistance, 13 percent from manufacturing, and 12 percent from construction. The remaining 45 percent were distributed across other industries. Fifty-three percent of the insured claimants were male. In terms of family responsibility, 53 percent of the claimants said they were their families' principal wage earners, 27 percent lived alone, and 20 percent were secondary earners. As far as reasons for unemployment, 52 percent of the claimants said they were on temporary layoff, 33 percent left their jobs voluntarily, and 15 percent were on permanent layoff. Ninety-two percent had at least a high school education and 32 percent had some post-secondary education. Ten percent of the claimants were veterans.

Firm Update

Closing/layoffs (past 12 months)

Northern Mattress and Furniture Galleries will close its four remaining stores by year's end, eliminating about 30 mostly full-time jobs in Fairfield, **Augusta**, Bangor, and Brunswick. (10/2006)

Bonanza Restaurant closed in October 2005 with 40 layoffs.

Darlings Auto Sales in Manchester closed in November 2005.

Expansions (past 12 months)

Christmas Tree Shops and **Bed Bath and Beyond** opened new Augusta stores in the Turnpike Mall in November 2006. The company renovated the site formerly occupied by Ames Department Store.

Kenway Corporation will add new jobs and production capacity to their Augusta plant. The firm manufactures corrosion-resistant fiberglass products, and is a recipient of funding under the North Star Alliance Initiative created through the \$15 million federal WIRED grant. (10/2006)

Maine Greyhound Placement Service held a groundbreaking ceremony marking the start of construction of a new veterinary clinic in Augusta. The clinic will specialize in meeting the needs of adopted retired racing greyhounds. (10/2006)

America's Best Inn is adding an additional floor and 30 rooms to its Augusta facility as part of a \$2 million expansion. When complete, the hotel will join the Quality Inn & Suites by Choice franchise. (10/2006)

School Administrative District 16 opened the new \$12.4 million Hall-Dale Elementary School. The energy efficient, high technology building came in \$1 million under budget and opened ahead of schedule. (9/2006)

Kennebec Valley YMCA opened a new \$9.9 million Augusta facility on Union Street in September 2006.

Sam's Italian Foods opened a new outlet in May 2006, located on the site of the former Cap N' Cotes seafood restaurant in Augusta.

G&E Roofing of Augusta is the recipient of a 2006 Governor's Awards for Business Excellence from Governor Baldacci

Downeast Energy built a \$3 million distribution center, retail outlet, and conference center in Hallowell over the summer. The project added 14 jobs.

Pine State Trading expanded its Augusta operations this past summer. These projects have added about 75 jobs. It has been reported that the wholesale/retail distributor has already outgrown its expansion and will be looking for new space.

Associated Grocers completed a major expansion of their warehouse complex in Gardiner in July 2006.

New businesses in Augusta include **Paul Blouin Suzuki**, selling automobiles, motorcycles, ATVs, and clothing; **Flo's Flowers and Gifts**, **Sakura Japanese Restaurant**, **Red Robin** gourmet burger restaurant, **Kohl's**, **Circuit City**, **DEB**, **Payless Shoes**, **Dick's Sporting Goods**, **Lane Bryant**, **IParty**, **Lonestar Restaurant**, **Great' Wall Buffet**, **KFC/Taco Bell**, and **Quirk Ford**.

Future Economic Development Projects

The 92 year old Winthrop Street building that housed the **Kennebec Valley YMCA** in Augusta was sold to Mr. Lou Walters for \$195,000 in October 2006. Future plans for the slightly under one-acre site are uncertain as the new owner researches the development possibilities.

The U.S. Environmental Protection Agency contracted with Shaw Environmental to begin cleanup operations of the abandoned **American Tissue** site in Augusta. The project is estimated to cost \$1.4 million, and began in late October 2006. Several companies occupied the site before it was taken over by American Tissue, which subsequently went bankrupt. The removal of hazardous materials from the site must be complete before any future development can occur.

In Augusta, **Ruby Tuesday** is seeking permission to build a new restaurant at Marketplace shopping center.

In Augusta, the 375,000 square foot **Augusta Crossing** shopping center, with **Target** and **Lowe's Home Improvement** as anchor stores, received the required permits from the Maine Department of Environmental Protection. Demolition of 10 homes on Storey Street to make way for the development was scheduled for October 2006.

Central Maine Communications Inc. of Farmingdale recently made three telecommunications company acquisitions. CMC purchased **NorthStar Communications** of Cumberland. As part of the agreement, Central Maine Communications has hired 32 of NorthStar's technical and office staff. The company will also maintain NorthStar's other Maine sites, in Cumberland and Bangor. Central Maine Communications

also has acquired the customer bases of two smaller competitors, **Blackline Industries** in Laconia, N.H., and **Integrated Communications Systems** of Auburn.

Hammond Lumber in Belgrade is in the midst of a \$1.5 million expansion that will double the size of their store. In September 2006 the company was recognized as a Maine Economic Leader by the Maine Merchants Association. Company-wide employment is currently about 310, and will grow to 350 once the company's Portland store is operational.

Maine Eastern Railroad wants to provide seasonal passenger rail service between Augusta and Brunswick. To show that the service is viable, the company ran a two-engine, three-car train with 80 invited guests from Brunswick to Gardiner on October 17, 2006.

Plans to build a 48,000 square foot **Hannaford** store at the former Cony High School are on hold, pending resolution of legal issues pertinent to use of the property for commercial purposes. (9/2006)

Belfast LMA

Area Definition

The Belfast Labor Market Area is comprised of Belfast, Belmont, Brooks, Freedom, Islesboro, Jackson, Knox, Liberty, Monroe, Montville, Morrill, Northport, Searsmont, Stockton Springs, Swanville, Thorndike, Unity, and Waldo.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	14,240	14,190	14,070
Residents Employed	13,610	13,590	13,460
Unemployment	630	600	610
Unemployment Rate	4.4%	4.2%	4.3%

The local unemployment rate increased to 4.4 percent in October, up from 4.2 percent in September. Resident employment grew by 20 and the number of unemployed grew by 30.

Over the year resident employment increased by 150 from 13,460 reported last October. The civilian labor force increased by 170 over the year, and the unemployment rate is slightly above the October 2005 figure of 4.3 percent.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data was 7.5 percent in February 2003 and the lowest was 2.6 percent in August 2000. The highest October unemployment rate recorded for this area was 4.7 percent in 2003, while the lowest was 3.0 percent in 2000.

Characteristics of the Insured Unemployed

The local area characteristics of the insured unemployed (number weeks compensated for those people collecting state unemployment checks) in October 2006 showed that 22 percent of the claimants were separated from manufacturing, 17 percent from retail trade, and 10 percent from construction. The remaining claimants were distributed across other industries.

Fifty-four percent of the claimants were female. Fifty-six percent were the primary wage earners for their families, 25 percent lived alone, and 19 percent were secondary wage earners. Eighty-eight percent had at least a high school education and 27 percent had some post-secondary education. Sixty-one percent of the

claimants said they were on a temporary layoff, 27 percent said they left voluntarily, and 12 percent were permanently laid off. Thirteen percent were veterans.

Firm Update

Closing/layoffs (past 12 months)

Maine Street Market in Belfast closed in December 2005 with 15 layoffs.

Creative Apparel in Belfast has laid off approximately 60 people over several months late in 2005.

Expansions (past 12 months)

The **Common Ground Fair** celebrated 30 years at its September 2006 opening in Unity. The fair consistently draws 50,000 visitors and 750 vendors, most of which produce their product in Maine.

Ocean State Job Lots, a discount retailer with 80 stores in New England, opened its first Maine store in March 2006, in Belfast.

Reny's Department Store in Belfast has expanded.

Aubuchon Hardware opened a store in Belfast. (3/2006)

Future Economic Development Projects

The Belfast City Council has instructed City Manager Terry St. Peter to negotiate the sale of the former **Peirce School** to Mr. William Ryan for \$265,000. Mr. Ryan wants to establish the **Belfast Academy of Music**, offering courses in music and performing arts. (10/2006)

The Maine Technology Institute recently awarded two grants to local companies. **Highland Blueberry Farm** has been awarded a grant to help it develop a blueberry tea product. **Penobscot McCrum LLC** has been awarded a grant to try to prove that Maine potatoes are the most nutritious spuds on the market.

Competitive Energy Systems has proposed a \$10 million wind turbine project in Freedom. If built the wind-powered turbines could produce enough electricity to power 2,000 homes. The Freedom town planning board held a public hearing November 20, 2006 to solicit comments and questions from abutting land owners. The project was proposed in March 2006, and has yet to be approved by the planning board.

Page Installation has developed a thumb print recognition door lock for consumer use that the company hopes will eventually make house keys obsolete. The company is negotiating with major retailers such as Home Depot to distribute the product.

Boothbay Harbor LMA

Area Definition

The Boothbay Harbor LMA includes Boothbay, Boothbay Harbor, Edgecomb, and Southport.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	4,770	5,130	4,680
Residents Employed	4,620	4,980	4,520
Unemployment	150	150	160
Unemployment Rate	3.2%	2.8%	3.4%

The jobless rate in the Boothbay Harbor LMA climbed to 3.2 percent in October from 2.8 percent in September. Resident employment declined by 360, and the number of unemployed remained at 150. Over the year resident employment grew by 100, and the civilian labor force was up by 90. The October 2005 unemployment rate was higher at 3.4 percent. Seasonal employment declines continued in accommodation and food services, leisure and hospitality, and retail trade.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data was 8.4 percent in February 2005, the lowest was 1.9 percent in August 2000. The highest October unemployment rate recorded in this area was 3.5 percent in 2004. The lowest October rate on record was 2.2 percent in 2000.

Characteristics of the Insured Unemployed

In October 2006, thirty percent of the insured claimants were separated from accommodation and food services, and 20 percent were from administration and waste services. Sixty-one percent said they were on a temporary layoff, 28 percent were on a permanent layoff, and 11 percent reported leaving their jobs voluntarily. Fifty-seven percent of the claimants were male.

Sixty-seven percent were their families' primary wage earner, 24 percent lived alone, and nine percent were secondary wage earners. Eighty-six percent had at least a high school education and 38 percent had some post-secondary education. Ten percent of the insured claimants were veterans.

Firm Update

Closing/layoffs (past 12 months)

Nothing significant.

Expansions (past 12 months)

A new Edgecomb restaurant, **Eastside Seafood Kitchen**, opened in May.

Future Economic Development Projects

Maine Tidal Energy is exploring the possibility of generating electricity from up to 50 Tidal Instream Energy Conversion (TISEC) devices on the Kennebec River. The company filed a preliminary permit application with the Federal Energy Regulatory Commission on March 27, 2006.

Hodgdon Yachts of East Boothbay will participate in a boat design project for the Department of Defense. The goal of the \$5 million project is to design a new medium range patrol boat for use by Special Forces.

Bigelow Laboratory for Ocean Services is planning a new facility. The company is a world leader in microbiology, including phytoplankton research.

Camden LMA

Area Definition

The Camden LMA is made up of Appleton, Camden, Hibberts Gore, Hope, Lincolnville, North Haven, Union, Vinalhaven, and Washington.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	8,530	8,720	8,200
Residents Employed	8,240	8,450	7,900
Unemployment	290	270	300
Unemployment Rate	3.4%	3.1%	3.6%

The local October jobless rate climbed to 3.4 percent from 3.1 percent in September. Resident employment dropped by 210 to 8,240 while unemployment grew by 20 to 290.

Over the year resident employment grew by 340, while the civilian labor force gained 330. Unemployment declined from 3.6 percent in October 2005.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data was 5.4 percent in February 2006; the lowest was 1.7 percent in August 2000. The highest October unemployment rate recorded in this area was 3.6 percent in 2005. The lowest October rate on record was 2.1 percent in 2000.

Characteristics of the Insured Unemployed

A sample distribution of insured claimants in October 2006 revealed that 20 percent each were separated from healthcare and social assistance, and finance and insurance. Sixteen percent were from retail trade, and the remainder were distributed across other industries. Seventy-two percent said they were on a temporary layoff, and 28 percent left their jobs voluntarily.

Fifty-two percent of the claimants were female. Sixty-eight percent were their families' primary wage earner, 16 percent were secondary wage earners, and 16 percent lived alone. Ninety-two percent had at least a high school education and 40 percent had some post-secondary education. Eight percent of the insured claimants were veterans.

Firm Update

Closing/layoffs (past 12 months)

MBNA, now owned by **Bank of America**, closed its Camden operations and sold its properties to **Maine Investment Properties**. Camden was the first Maine location for MBNA.

Tibbets Industries in Camden laid off 20 workers in October, 2005.

Expansions (past 12 months)

A new state-of-the-art TV and film studio, **Visionmill**, opened in Camden. (12/2005)

Maine's blueberry crop, which is harvested throughout Downeast and coastal Maine, was up nearly 30 percent in 2005.

Future Economic Development Projects

Maine's blueberry crop is expected to rebound after two poor years. The 2006 crop is expected to total 75.0 million pounds, up 26 percent from last years' output of 59.6 million pounds, and 16 percent above the five year average of 64.7 million pounds. The 2006 lobster catch has not been quantified yet, but according to local fishermen, landings are above normal for this point in the season.

Rockland LMA

Area Definition

The Rockland LMA includes Cushing, Owls Head, Rockland, Rockport, South Thomaston, Thomaston, and Warren

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	13,250	13,290	13,100
Residents Employed	12,750	12,820	12,580
Unemployment	500	470	520
Unemployment Rate	3.7%	3.5%	4.0%

The local October jobless rate rose to 3.7 percent from 3.5 percent in September. Resident employment dropped by 70 to 12,750, while the number of unemployed increased by 30.

Over the year resident employment increased by 170, and the jobless rate is down from the October 2005 figure of 4.0 percent.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data was 6.1 percent in February 2006; the lowest was 1.9 percent in August 2000. The highest October unemployment rate recorded in this area was 4.0 percent in 2005. The lowest October rate on record was 2.4 percent in 2000.

Characteristics of the Insured Unemployed

In October 2006, seventeen percent of insured claimants were separated from retail trade, 16 percent were from manufacturing, 14 percent were from accommodation and food services, and the remainder were distributed across other industries.

Sixty percent said they were on a temporary layoff, 29 percent left their jobs voluntarily, and 11 percent were on a permanent layoff. Fifty-six percent of the claimants were male. Forty-nine percent were their families' primary wage earners, 34 percent lived alone, and 17 percent were secondary wage earners. Eighty-five percent had at least a high school education and 35 percent had at least some post-secondary education. Sixteen percent of the insured claimants were veterans.

Firm Update

Closings/layoffs (past 12 months)

MBNA, now owned by Bank of America, closed its Rockland operations and sold its properties to Maine Investment Properties.

Hurricane Island Outward Bound in Rockland laid off 20 workers in April 2006.

Expansions (past 12 months)

Retail outlet expansions in Rockland include **Applebees**, **Arbys**, **Old Navy**, and **Penbay Soup Co.**

Anecdotal evidence suggests that area boat builders experienced a banner year in 2005.

Future Economic Development Projects

Many Flags/One Campus is a unique and innovative educational model planned for the mid-coast region that would co-locate on one campus a regional high school, a vocational/technical school, a higher

education center, and a Marine Systems Center of Excellence. This collaborative effort includes Kennebec Valley Community College, University College at Thomaston, the University of Maine Hutchinson Center, the Maine Community College System, the Landing School, other Marine Trades educators, MSAD 5, MSAD 50, and the Mid-Coast School of Technology Region 8. The campus could open in 2011, following site and funding acquisition, voter approval, and permitting. (10/2006)

MPBN filmed an episode of its television series, “Hometown Economies,” in Rockland during the summer. The episode aired in September 2006, but may currently be viewed online through the stations’ web site (<http://www.mpbnet.net/hometown/rockland.html>).

Workforce Innovation in Regional Economic Development (WIRED) has awarded a \$15 million grant to the **North Star Alliance Initiative** to support innovation within the marine trades in mid-coast Maine. The grant will benefit boat builders, marine infrastructure, trade associations, and education.

Samorock LLC, owners of the **Samoset Resort**, has filed plans to build 106 housing units and a private dock.

The **Passamaquoddy Tribe** has received approval to convert two waterfront grain silos in Rockland to commercial use. Condominiums, retail activity, and a cultural center are being considered.

Thomaston may be getting two new stores, a **Lowe’s Home Improvement Store** and a **Wal-Mart Supercenter**.

At the former **Thomaston State Prison** site, two developers have applied to design and develop the former state prison grounds. The two developers are **Berman Associates** of Portland and **Land Design Group** of Ellsworth.

The former **Nautica** facility in Rockland has become one of the hottest developments in Maine, with both commercial and government entities vying for space in the building. **North End Composites** is one example, as the company expects to add 150 jobs at its new Nautica location.

Skowhegan LMA

Area Definition

The Skowhegan LMA includes Anson, Athens, Bingham, Brighton Plantation, Canaan, Caratunk Plantation, Cornville, Dennistown, Emden, Highland Plantation, Jackman, Madison, Mercer, Moose River, Moscow, Norridgewock, Pleasant Ridge Plantation, Skowhegan, Smithfield, Solon, Starks, The Forks Plantation, West Forks Plantation, Northeast and Northwest Somerset Unorganized, and Seboomook Lake Unorganized.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	15,090	15,220	15,050
Residents Employed	14,120	14,280	14,020
Unemployment	970	940	1,030
Unemployment Rate	6.4%	6.2%	6.8%

The local October jobless rate increased to 6.4 percent from 6.2 percent in September. Resident employment declined by 160 to 14,120 and the number of unemployed increased by 30 to 970. Seasonal job losses generally increase this time of year, particularly in leisure and hospitality as Maine’s white water rafting season winds down.

Over the year resident employment grew by 100, and the number of unemployed declined by 60. Last September, 14,020 local residents were employed, 1,030 were unemployed, and the local jobless rate was higher at 6.8 percent.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data was 10.0 percent in February 2005. The lowest was 3.8 percent recorded in August 2000. The highest October unemployment rate recorded in this area was 7.3 percent in 2003. The lowest October rate on record was 4.0 percent in 2000.

Characteristics of the Insured Unemployed

In October 2006, thirty-three percent of the insured claimants were from manufacturing, 15 percent were separated from construction, and 11 percent were from retail trade. Ten percent of the insured claimants were from arts, recreation, and entertainment, and accomodation and food services combined. Seventy-nine percent said they were on a temporary layoff, 13 percent left their jobs voluntarily, and eight percent were on a permanent layoff.

Fifty-seven percent of the claimants were male. Fifty-eight percent were their families' primary wage earner, 27 percent lived alone, and 15 percent were secondary wage earners. Eighty-one percent had at least a high school education and 18 percent had some post-secondary education. Ten percent of the insured claimants were veterans.

Firm Update

Closings/layoffs (past 12 months)

Wendy's Restaurant and **Super Shoes** footwear in Skowhegan closed in December 2005.

Solon Manufacturing closed in October 2005. Forty workers were laid off.

During May 2006 **Morgan Lumber** in Bingham laid off most of its 33 employees.

Expansions (past 12 months)

Construction of the new \$1.4 million Skowhegan branch of **Bangor Savings Bank** is complete. The new Madison Avenue office opened October 2, 2006.

Thanks to a \$1.1 million project jointly funded by the state and **Guilford Industries**, a rail line that runs over the Kennebec River between Madison and North Anson will soon be completed. The line has been unusable since the flood of 1987.

In Madison, 56 employees of **Backyard Farms** (formerly **U.S. Functional Foods**) began planting 235,000 tomato plants in November 2006, to be grown hydroponically in their newly constructed 24 acre greenhouse. The four tomato varieties will be distributed around New England in January 2007. Eventually, the company would like to add three more greenhouses and employ a total of 300 workers. The company began recruitment in July 2006. (11/2006)

Future Economic Development Projects

Maine Woods Pellet Co., co-owned by Maine Biomass Fuels and Linkletter and Sons, Inc. will produce home-grown wood pellets to provide heat for homes, schools, and businesses. The new Athens plant will compress sawmill residue, forest thinnings, corn and grasses into pellets. First-year sales are projected at \$20 million, and the plant is expected to create 25 direct new jobs and 30-40 related jobs. (10/2006)

Maine Central Railroad intends to rebuild its rail lines throughout Maine with rock from an Emden quarry. The phased project could add as many as 100 jobs in the region.

Run of River, a project to create a world class whitewater venue in downtown Skowhegan, could qualify for up to \$18 million in funds that Congress has earmarked for economic development projects in the northeastern United States, according to U.S. House Representative Mike Michaud, who is sponsoring the legislation. A decision is expected after the November 2006 elections.

A new **Best Western** hotel is being built in Skowhegan. Initial abatement and sitework is about finished, and the project will move into the construction phase in Fall 2006. The company is targeting 2008 for completion/opening of the new hotel.

Skowhegan has received two grants from the Department of Economic and Community Development, totaling \$650,000 for the purposes of downtown revitalization, and re-construction of the Sterns Building. In addition, the city has approved a bond package that includes \$1 million for infrastructure at the Southgate Industrial Park. (9/2006)

Congress has brought the prospect of a major east-west highway closer to fruition. After two years of lobbying by four states, a proposed east-west highway has received Congressional High Priority Corridor designation. The highway would create an interstate road system stretching from Eastern Canada to Toronto. The highway as envisioned would go through portions of Somerset and Kennebec Counties. The "High Priority" designation opens a five-year window in which the project can receive favorable funding consideration. Thus far \$30 million has been earmarked for the project, which has an estimated cost of \$900 million.

Waldoboro LMA

Area Definition

The Waldoboro LMA includes Alna, Bremen, Bristol, Damariscotta, Friendship, Jefferson, Monhegan Plantation, Newcastle, Nobleboro, South Bristol, and Waldoboro.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	10,270	10,400	10,160
Residents Employed	9,900	10,050	9,770
Unemployment	370	350	390
Unemployment Rate	3.6%	3.4%	3.8%

The local jobless rate increased from 3.4 percent in September to 3.6 percent in October. Resident employment declined by 150 to 9,900 while unemployment grew by 20 to 370. The September to October employment decline is seasonal in nature with most job losses occurring in accommodation and food services.

Over the year employment grew by 130, and unemployment declined by 20. The unemployment rate of 3.6 percent is an improvement from October 2005 when the jobless rate stood at 3.8 percent.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data was 5.0 percent reported in February 2006. The lowest was 1.9 percent in August 2000. The highest October rate on record was 3.8 percent in 2005, while the lowest October rate on record was 2.3 percent in 2000.

Characteristics of the Insured Unemployed

In October 2006, manufacturing and retail trade accounted for 18 percent each of insured claimants of unemployment insurance. Thirteen percent were separated from services other than public administration, and an additional 10 percent each were separated from construction and administrative and waste services. Sixty-two percent said they were on a temporary layoff, 33 percent left their jobs voluntarily, and five percent were on a permanent layoff.

Fifty-four percent of the claimants were female. Forty-two percent were their families' primary wage earners, 41 percent were secondary wage earners, and 17 percent lived alone. Ninety percent had at least a high school education and 34 percent had at least some post-secondary education. Ten percent of the insured claimants were veterans.

Firm Update

Closings/layoffs (past 12 months)

Nothing Significant

Expansions (past 12 months)

Hannaford nearly doubled the size of its Damariscotta store in June 2006, adding 15 new jobs.

Waterville Labor Market Area

Area Definition

The Waterville LMA includes Albion, Benton, Clinton, Fairfield, Oakland, Unity Unorganized, Waterville, and Winslow.

Civilian Labor Force Trends

	October 2006	September 2006	October 2005
Civilian Labor Force	23,470	23,040	22,530
Residents Employed	22,390	22,020	21,410
Unemployment	1,070	1,020	1,120
Unemployment Rate	4.6%	4.4%	5.0%

The local jobless rate increased slightly to 4.6 percent in October, from 4.4 percent in September. Resident employment grew by 370 to 22,390. Unemployment increased by 50 to 1,070.

Over the year resident employment grew by 980, from 21,410 in October 2005, largely due to employment gains in administrative and support services. Unemployment declined by 50 and the unemployment rate declined from 5.0 percent to 4.6 percent.

The highest monthly unemployment rate recorded here since new labor market area configurations became effective with January 2000 data was 7.1 percent in February 2003; the lowest was 2.9 percent in August 2000. The highest October unemployment rate recorded in this area was 5.6 percent in 2003. The lowest October rate on record was 3.2 percent in 2000.

Characteristics of the Insured Unemployed

In October 2006, twenty percent of the insured claimants were separated from retail trade, 19 percent were from construction, and 13 percent were from manufacturing. Ten percent each were separated from accommodation and food services and healthcare and social assistance. The remaining 28 percent were dis-

tributed across other industries. Fifty-eight percent said they were on a temporary layoff, 27 percent left their jobs voluntarily, and 15 percent were on a permanent layoff.

Fifty-five percent were their families' primary wage earners, 25 percent lived alone, and 20 percent were secondary wage earners. Eighty-seven percent had at least a high school education and 28 percent had at least some post-secondary education. Six percent of the insured claimants were veterans.

Firm Update

Closings/layoffs (past 12 months)

Northern Mattress and Furniture Galleries will close its four remaining stores by year's end, eliminating about 30 mostly full-time jobs in **Fairfield**, Augusta, Bangor, and Brunswick. (10/2006)

Expansions (past 12 months)

The city of Waterville agreed to sell the former **C.F. Hathaway Building** to Paul Boghossian, a Rhode Island developer, who will spend as much as \$56 million to convert the Lockwood mill complex into a housing and commercial center, tentatively named the **Hathaway Creative Center**. The city council approved also unanimously approved a tax increment financing plan that would allow a portion of property taxes generated by the investment to be used in support of the project. (9/2006)

T-Mobile USA celebrated 12 months of operation in their new facility at **Firstpark** in Oakland. With over 600 employees on board, the company hopes to have 700 within their first 18 months of operation. (9/2006)

New stores in Waterville include **Starbucks**, **Dunkin Donuts**, **J&S Oil**, plus expansions at **Caswell's Liquidation** and **Irving Oil**.

Unicel is spending \$3 million on new towers in Waterville and Sidney.

Mardens moved into the former Wal-Mart store in Waterville, creating approximately 10 new jobs.

Future Economic Development Projects

Inland Hospital, of Waterville, announced a \$2.45 million expansion of its emergency room facilities. Construction is scheduled to begin in November 2006.

MaineGeneral Medical Center is re-evaluating its plans for a \$107 million expansion of its Thayer campus in Waterville, pending resolution of regulatory issues.

Elm Plaza Shopping Center in Waterville is undergoing an estimated \$5 million renovation project, beginning with the parking lot. The renovation will take place over the next three to four years. (10/2006)

The Waterville Planning Board is considering applications for a **Tim Hortons** restaurant and **Merrill Bank** to be located on Main Street.

The town of Fairfield has approved construction of a new mini-mall on property adjacent to the high school.

Thule Trailers in Winslow is projecting a revenue growth increase from \$19 million to \$26 million this year.

MPBN filmed an episode of its television series, “Hometown Economies,” in Waterville during the summer. The episode aired in October 2006, and may currently be viewed online through the stations’ web site (<http://www.mpbn.net/hometown/waterville.html>).